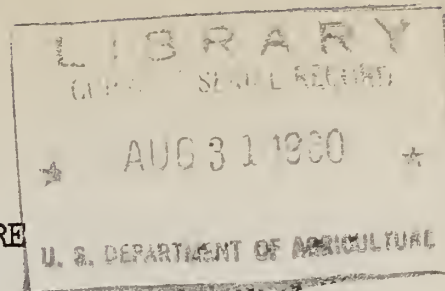


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UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

DAIRY DIVISION

SUMMARIES OF
FEDERAL MILK MARKETING ORDERS

Revised through January 1, 1960

Attached are revisions to summaries of Federal Milk Marketing Orders which were amended during the period November 2, 1959, through January 1, 1960.

Separate pages show suspension orders and Federal Register citations for the same period.

Agriculture - Washington

SUSPENSION ORDERS

(Issued during the period November 2, 1959 - January 1, 1960)

Boston, Massachusetts: Page 4-4 - supply-demand factor fixed at -10 percent of price, May through October, by previous suspension orders. Subsequent orders fix the supply-demand factor at -12 percent of price, November through January.

Springfield, Massachusetts: Page 96-4 - same as Boston.

Worcester, Massachusetts: Page 99-4 - same as Boston.

Southeastern New England: Page 90-4 - same as Boston.

Connecticut: Page 119-4 - same as Boston.

Great Basin: Page 63-2 - requirement that distributing plants have total route disposition equal to 50 percent or more of receipts from dairy farmers and other plants previously suspended for November and December 1959; now suspended for an indefinite period. In-area route disposition requirement unchanged.

New York-New Jersey: Page 27-6 - nearby farm differential provision previously suspended, June through December; now suspended for an indefinite period.

Southeastern Florida: Page 118-2 - Class I classification for bulk transfers of milk and skim milk to unregulated plants 350 miles or more from Boca Raton, Florida, suspended through February 29, 1960.

Supplement to Federal Register Citations

(November 2, 1959 through January 1, 1960)

<u>Market and Citation</u>	<u>Date Published</u>	<u>Action</u>
<u>BOSTON - C.F.R. 904</u>		
24 FR 10939	12/30/59	Order suspending certain provisions
<u>GREAT BASIN - C.F.R. 963</u>		
25 FR 76	1/6/60	Order suspending certain provisions
<u>KANSAS CITY - C.F.R. 913</u>		
24 FR 9538	11/28/59	Order, as amended
<u>NEW YORK-NEW JERSEY - C.F.R. 927</u>		
24 FR 10619	12/24/59	Order suspending certain provisions
<u>NORTH CENTRAL IOWA - C.F.R. 1005</u>		
24 FR 9468	11/25/59	Order, as amended
<u>SOUTHEASTERN FLORIDA - C.F.R. 1018</u>		
24 FR 10620	12/24/59	Order suspending certain provisions
<u>SPRINGFIELD, MASS. - C.F.R. 996</u>		
24 FR 10939	12/30/59	Order suspending certain provisions
<u>WORCESTER - C.F.R. 999</u>		
24 FR 10939	12/30/59	Order suspending certain provisions

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(As summaries of new and amended orders are prepared, page numbers will be preceded by the order number. For example, Michigan Upper Peninsula is Order number 111; there are four pages in this summary. Thus, the page numbers are 111-1; 111-2; 111-3; 111-4. The following index reflects this system of page numbering and also shows all page numbers in the summaries which have not been revised. Using Chicago as an example, the page numbers are listed in the index as pages 45 through 48-c and 49 through 49-b; thus, the entire summary of this order occupies pages 45, 46, 47, 48, 48a, 48b, 48c, 49, 49a, and 49b. The pages of the introduction and Federal Register citations are numbered consecutively with the abbreviations "Int." or "Cit." preceding the number.)

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FEDERAL MILK ORDER NO. 13
Kansas City, Missouri-Kansas

Marketing Area:

1. All territory in Jackson, Cass, Bates, Lafayette, Johnson, Henry, and St. Clair Counties, Missouri and specified areas in Platte and Clay Counties, Missouri; Wyandotte, Leavenworth, Johnson, Douglas, Shawnee, Lyon, Morris, Miami, and Riley (exclusive of the Fort Riley military reservation) Counties, Kansas.

Population: (1950 Census): 1,200,830.

Principal places are: Kansas City, Missouri, Kansas City, and Topeka, Kansas.

Handler:

1. The operator of a regulated plant.
2. The operator of an unregulated distributing plant from which fluid milk products are disposed of in the marketing area.
3. A cooperative association with respect to producer milk diverted under specified conditions for its account from a regulated to an unregulated plant.
4. Cooperative associations which choose to report as handlers with respect to milk of producer members delivered in tank trucks owned or operated under contract by the association to other regulated plants and producer handler plants, and such associations with respect to milk of producer members delivered in cans to regulated plants of two or more handlers in a single delivery period.

Producer-Handler:

1. A dairy farmer who operates a plant from which fluid milk products received only from his own production, from regulated plants, or from cooperative associations in tank trucks are distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority or, regardless of inspection is accepted by an agency of the Federal Government and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated Pool Plant (except a plant regulated under another order or a handler or producer-handler plant which disposes of an average of less than 600 pounds of Class I milk per day on routes in the marketing area):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:
 - a. Disposition of Class I milk on routes in the marketing area is 20 percent or more of receipts from dairy farmers and other plants; and

- b. Total route disposition of Class I milk is 30 percent or more of receipts from dairy farmers and other plants, March through June; 35 percent, December-February; and, 45 percent; July through November.
2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships 50 percent or more of its approved receipts from dairy farmers (less Class I route disposition) to a regulated distributing plant. A plant which qualifies as a supply plant in each of the months August through December is a supply plant in the following January through July unless non-regulated status is requested.
3. Cooperative association plant:
 - a. A plant operated by a cooperative association if 65 percent of the milk of producer members is delivered to other regulated plants during the month.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the volume weight of reconstituted skim milk.

Classification:

1. Class I. All skim milk and butterfat:
 - a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; butter-milk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.
 - b. Not accounted for as Class II milk.
2. Class II. All skim milk and butterfat:
 - a. Used to produce any product other than a fluid milk product.
 - b. Contained in inventories of fluid milk products at the end of the month.
 - c. Disposed of to commercial food manufacturers.
 - d. Disposed of for livestock feed and skim milk dumped upon notification of and verification by the market administrator.
 - e. In shrinkage of other source milk.
 - f. In shrinkage of producer milk not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:
 - a. In the form of milk, skim milk, or cream are Class I unless utilization in another class is claimed by both plants in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated Plants:

1. The following transfers of milk, skim milk or cream are Class I:
 - a. Transfers to producer-handlers.
 - b. Transfers of fluid milk products in consumer packages.
 - c. Transfers to unregulated plants within 200 miles of Kansas City, Missouri, Manhattan, or Emporia, Kansas, whichever is closest, unless another class is claimed by the transferring handler and Class I utilization at the unregulated plants does not exceed receipts, the transfers are Class I to the extent of the excess.
 - d. Transfers of milk, skim milk or cream (except Grade 'c' cream and cream utilized in Class II under another order) to plants more than 200 miles from Kansas City, Missouri, Manhattan or Emporia, Kansas, whichever is closest.

Receipts from Unregulated Plants:

1. Classification. Beginning with Class II, after deduction for shrinkage in producer milk, subtract receipts from unregulated plants in the following order (remainder is Class I):
 - a. Fluid milk products not priced under any order, and receipts of all nonfluid milk products reprocessed at the plant.
 - b. Fluid milk products priced under another order.
2. Compensatory payments. Apply to receipts in Class I, above, whenever total deliveries of producer milk are 120 percent or more of total Class I at all regulated plants. Payment rate: Class I price adjusted by butterfat and location differentials, less:

Class Prices:

1. Basic formula. Higher of the following:
 - a. Midwest condenseries. Average price paid at Midwest condenseries (3.5 percent) adjusted to 3.8 percent by direct ratio.
 - b. Butter-powder price: $(\text{Chicago 92-score butter price} \times 4.56) \div (\text{Chicago area spray-roller powder price} - 5.5 \text{ cents} \times 7.0)$.
2. Class I. Basic formula price for the preceding month plus:

\$1.15:	April - July
1.45:	August - March

With a supply-demand adjustment applied to the resulting price. Such adjustment is determined by the relationship between the ratio of producer receipts and gross Class I in first and second preceding months and standard utilization percentages provided in the order. Maximum adjustment is 3 cents for each 1 percent that utilization in the market differs from the standard with a total adjustment not to exceed 45 cents.

3. Class II. Higher of the following:

- a. Average price paid farmers by the following local plants for 3.8 percent milk plus 15 cents:

Borden Company, Fort Scott, Kansas
 Carnation Company, Girard, Kansas
 Kraft Foods Company, Nevada, Missouri
 Pet Milk Company, Iola, Kansas
 Swift and Company, Parsons, Kansas

- b. $(\text{Chicago 93 (92)-score butter price} \times 4.60) + (\text{Chicago area spray powder price} \times 8.2) - 78 \text{ cents.}$

Butterfat Differentials:

1. Class I. Chicago 92-score butter price for the current month $\times .13$.
2. Class II. Chicago 92-score butter price for the current month $\times .12$, September-February; butter price $\times .115$, March-August.
3. Producer. Chicago 92-score butter price for the current month plus 4 cents $\times .10$.

Location Differentials:

1. Class I. Apply to plants located 50 miles or more from Kansas City, Missouri, Lawrence, Kansas, Topeka, Kansas, Manhattan, Kansas, Council Grove, Kansas, or Emporia, Kansas; deduct:
 - a. 16.0 cents - 50 to 70 miles
 - b. 0.5 cents - each additional 10 miles.
2. Producer. Above differentials apply:
 - a. August - January to all producer milk
 - b. February - July to base milk.

Type of Pool:

1. Marketwide, monthly pool with base payments.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 2 cents per hundredweight of producer milk.
2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area, or on all milk received from dairy farmers, if they elect to make payments to dairy farmers at order prices - see Special Handler Provisions.

Special Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.
2. Base payment. Base payment plant applies February-July with each producer's daily base computed by dividing the total pounds of milk delivered by the producer to regulated plants during the preceding months of September-December by the number of days of delivery during the period (not less than 90 days).
 - a. Provides for bases for dairy farmers who become producers by virtue of plant status changing from unregulated to regulated.
 - b. Transfers to family members are permitted under specified circumstances.
 - c. Provisions is made for those holding a base under another order who became producers under this order after the base-forming period.
 - d. Joint-held bases may be divided among the joint holders upon request.

Special Handler Provisions (Unregulated Plants).

1. Plants subject to other Federal Orders: Handlers who dispose of a greater portion of their Class I milk on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.
2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:
 - a. Submit required reports to the market administrator.
 - b. Pay specified administrative assessment - see "Expense of Administration" provision.
 - c. Make compensatory payments:
 - (1) On Class I route disposition in the marketing area; rate is that applicable to receipts from unregulated by regulated plants or, if the handler so elects.
 - (2) On all milk received from dairy farmers; amount paid is the difference between class values at order prices and payments to dairy farmers.

FEDERAL MILK ORDER NO. 105
North Central Iowa

Marketing Area:

1. All territory, including governmental installations and institutions, in the following counties: Black Hawk, Bremer, Buchanan, Butler, Cerro Gordo, Chickasaw, Fayette, Floyd, Franklin, Grundy, Hamilton, Hancock, Hardin, Humboldt, Marshall, Tama, Webster, Wright; and, the city of Osage, all in the State of Iowa.

Population: (1950 Census): 494,423

Principal places are: Waterloo, Mason City, Marshalltown, and Fort Dodge, Iowa.

Handler:

1. The operator of a regulated plant.
2. The operator of an unregulated distributing plant from which Grade A milk is disposed of in the marketing area.
3. The operator of an unregulated supply plant which ships Grade A milk to a regulated distributing plant.
4. A cooperative association with respect to Grade A receipts from dairy farmers which are received in a tank truck operated under the control of the association and delivered in such truck to regulated plants.

Producer-Handler:

1. A dairy farmer who operates a plant from which Grade A milk received only from his own production or from regulated plants or unregulated plants is distributed in the marketing area.

Producer:

1. Any person, except a producer-handler, who produces milk inspected and approved for fluid consumption by any health authority and received at a regulated plant or normally received at a regulated plant and diverted under specified conditions.

Regulated (Pool) Plant (except a producer-handler plant or a plant regulated under another order):

1. Distributing plant. A plant inspected and approved by any health authority and from which during the month:
 - a. Disposition of Class I milk on routes in the marketing area averages 1,000 pounds per day or not less than 15 percent of receipts from dairy farmers and other plants.

2. Supply plant. A plant inspected and approved by any health authority for fluid consumption which ships milk, skim milk or cream to distributing plants not less than 10 days in any month September-November and on not less than 5 days in any other month. A plant which does not qualify as a supply plant in each of the months September through November is not a supply plant in any of the following months, December through August, during which none of the milk, skim milk or cream from such plant was allocated to Class I at a regulated distributing plant.

Method of Accounting for Milk:

1. Skim milk and butterfat are accounted for separately. Skim milk includes the fluid equivalent of reconstituted, concentrated, and fortified products.

Classification:

1. Class I. All skim milk and butterfat:

a. Disposed of in the form of a fluid milk product. Fluid milk products: milk, including concentrated; skim milk; sweet and sour cream; buttermilk; plain and flavored milk and milk drinks; fluid mixtures of cream and milk or skim milk.

b. Not accounted for as Class II milk.

2. Class II. All skim milk and butterfat:

a. Used to produce any product other than a fluid milk product.

b. Contained in inventories of fluid milk products at the end of the month.

c. In shrinkage of producer and other source milk, not to exceed 2 percent.

Transfers Between Regulated Plants:

1. Transfers from one regulated plant to another:

a. In the form of fluid milk products are Class I unless utilization in another class is claimed by both plants, in which case producer milk at both plants receives priority in Class I over other-source milk.

Transfers to Unregulated plants:

1. The following transfers of fluid milk products are Class I:

a. Transfers to producer-handlers.

b. Transfers of fluid milk products in consumer packages.

c. Bulk transfers to unregulated plants located within 150 miles from Waterloo, Mason City, Fort Dodge, and Marshalltown, Iowa, whichever is nearest, unless another class is claimed by the transferring handler and Class I utilization at the unregulated plants (except ungraded cream used for manufacturing) does not exceed receipts from dairy farmers. If Class I utilization does exceed such receipts, the transfers are Class I to the extent of the excess.

d. Transfers to plants more than 150 miles from Waterloo, Mason City, Fort Dodge, and Marshalltown, Iowa, whichever is nearest.

Receipts from Unregulated plants:

1. Classification. Beginning with Class II after deduction for shrinkage in producer milk, subtract total receipts from unregulated plants and plants regulated by other orders.
2. Compensatory payments. No provision.

Class Prices:

1. Class I. Class I price under Federal Order No. 41 (Chicago, Illinois marketing area) plus 15 cents. For milk received from producers north of the base zone 1/. price is reduced 5 cents.
2. Class II. Average price paid farmers by the following local plants for 3.5 percent milk:

Amboy Milk Products Company, Amboy, Illinois
Borden Company, Dixon, Illinois
Carnation Company, Morrison, Illinois
Carnation Company, Oregon, Illinois
Carnation Company, Waverly, Illinois
United Milk Products Company, Argo Fay, Illinois

Butterfat Differentials: (3.5 percent butterfat test):

1. Class I. Chicago 92-score butter price for the preceding month x .120.
2. Class II. Chicago 92-score butter price for the current month x .110 for April-June; and, .115 for July-March.
3. Producer. Weighted average of Class I and Class II differentials.

Location Differentials:

1. Class I and producer. Apply to plants located 50 miles or more from each of the cities of Waterloo, Mason City, Fort Dodge, and Marshalltown, Iowa. Measured from the closest; deduct:

- a. 10 cents - 50 to 65 miles.
- b. 1.5 cents - each additional 10 miles.

also, uniform prices for milk received from producers north of the base zone 1/ shall be reduced an additional 5 cents.

Type of Pool:

1. Individual handler, monthly pool.

1/ Base zone means all territory south of a line formed by the indefinite extension of the southern boundaries of Hancock, Cerro Gordo, and Floyd Counties, Iowa.

Expense of Administration:

1. Operators of regulated plants pay administrative costs not to exceed 4 cents per hundredweight of produce milk and other source milk allocated to Class I.
2. Operators of unregulated distributing plants pay the same rate as regulated plants on Class I route disposition in the marketing area.

pecial Producer Provisions:

1. Marketing service. Deductions as authorized by membership contracts must be paid to qualified cooperative associations. A charge not to exceed 5 cents per hundredweight, deductible from non-members must be paid to the market administrator.
2. Base payment. No provision.

pecial Handler Provisions (Unregulated Plants):

1. Plants subject to other Federal Orders. Handlers who dispose of a greater portion of their fluid milk products on routes in the marketing area of another order, are not subject to regulation under this order, except for reports which may be required by the market administrator.
2. Unregulated plants not subject to other Federal orders. Operators of such plants are required to:
 - a. Submit required reports to the market administrator.
 - b. Pay specified administrative assessment - see "Expense of Administration" provision.